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7 **UNITED STATES BANKRUPTCY COURT**

8 **FOR THE DISTRICT OF NEVADA**

9 In re:

Case No.: BK-S-12-13906-BTB
Chapter 11

10 HORIZON RIDGE MEDICAL & CORPORATE
11 CENTER, L.L.C.,

12 Debtor.

13 **DECLARATION OF DR. RICK ABELSON IN SUPPORT OF THE EMERGENCY**
14 **MOTION FOR STAY PENDING APPEAL OF ORDER CONFIRMING LENDER'S**
LIQUIDATION PLAN

15 I, Rick Abelson, hereby declare as follows:

16 1. I am over the age of 18 and am mentally competent. I have personal knowledge
17 of the facts in this matter and if called upon to testify, could and would do so. I make this
18 declaration in support of the *Emergency Motion for Stay Pending Appeal of the Order*
19 *Confirming Lender's Liquating Plan* (the "Motion").¹

20 2. I am Debtor's manager and designated representative. Except as otherwise
21 indicated, all of the facts set forth in this Declaration are based upon my personal knowledge of
22 Debtor's operations and finances, information learned from my review of relevant documents
23 and information supplied to me by other members of Debtor's management and Debtor's
24 business and legal advisors. If called upon to testify as to the content of this Declaration, I could
25 and would do so.

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28 ¹ All capitalized, undefined terms shall have the meanings ascribed to them in the Motion.

1 **Debtor's Operation of the Horizon Ridge Medical Center.**

2 3. HRMC was formed in 1999 with the goal and purpose of finding land to build a
 3 medical complex, designing and building a medical complex, and ultimately operating that
 4 medical complex.

5 4. Today, after nearly fifteen years of significant hard work and investment, HRMC
 6 owns and operates the Horizon Ridge Medical Center (the “Center”), a two-story, multi-tenant
 7 office building located at 2610 W. Horizon Ridge Parkway, Henderson, Nevada 89052, APN
 8 177-25-702-024.

9 5. The Center consists of six first-floor suites, and seven second-floor suits, one of
 10 which has been subdivided into nine suites, for a total of twenty-one suites.

11 6. As of the commencement of the Confirmation Hearing, the Center was 83%
 12 leased. Since the Confirmation Hearing, HRMC has secured one additional tenant and the
 13 renewal of a lease making the Center currently 95% occupied, with the high lease occupation
 14 guaranteed through at least the end of 2014.

15 **The Secured Loan and Bankruptcy Case**

16 7. On or about February 4, 2003, GMAC Commercial Mortgage (“GMAC”) lent
 17 HRMC the original principal amount of \$4.43 Million (the “Secured Loan”) and HRMC
 18 executed the Promissory Note (the “Secured Note”) in favor of GMAC.

19 8. As security for the repayment of the Secured Note, HRMC and GMAC entered
 20 into: (i) a Deed of Trust and Security Agreement; (ii) an Assignment of Leases and Rents; (iii) a
 21 Replacement Reserve Agreement; and (iv) a Tenant Improvement and Leasing Commission
 22 Reserve Agreement (the “TI Reserve Agreement”).

23 9. Following a dispute over Lender’s refusal to reimburse HRMC for tenant reserve
 24 expenses and despite HRMC’s ability to continue to pay on the Secured Loan, on April 2, 2012,
 25 HRMC filed a voluntary Chapter 11 petition.

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10. To date, HRMC has paid Lender \$440,988.92 in adequate protection payments, which payments will continue during the Appeal at the rate of \$21,127 per month.

I declare under penalty of perjury of the laws of the United States that these facts are true to the best of my knowledge and belief.

DATED this 7th day of March, 2014.

/s/Rick Abelson
Dr. Rick Abelson